

13 1 1961

MEMORANDUM FOR: Legislative Counsel

SUBJECT: Legislative Proposals Affecting Military Personnel

REFERENCES:

- a. S. 912, To amend the Act of April 23, 1930, relating to a uniform retirement date for authorized retirees of Federal personnel.
- b. S. 933, To facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes.
- c. S. 1643, To provide benefits for members of the Reserve components of the armed services who suffer disability or death incident to active duty, active duty for training, or inactive-duty training, and for other purposes.

Referenced bills have been reviewed in accordance with your request. While these proposals may be of interest to military personnel detailed to this Agency, they have no direct bearing on the Agency's personnel activities. Accordingly, no further action by your office is desired.

Harrison G. Reynolds
Director of Personnel

Distribution:
O & 1 - Addressee
2 - D/Pers
1 - MPD
4 - PAS

NOTICE OF PENDING LEGISLATION		DATE
		LEGISLATIVE BILL NO. S. 934 H.R. 3442
SECTION I	GENERAL	
TO :	FROM: LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL	
<p>THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS:</p> <p><input type="checkbox"/> SENT TO YOU FOR INFORMATION ONLY.</p> <p><input type="checkbox"/> A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION <input type="checkbox"/> IS <input type="checkbox"/> IS NOT PREDICTED.</p> <p><input checked="" type="checkbox"/> SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED.</p> <p>IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY _____.</p>		
FOLD HERE		
SECTION II	COMMENTS (From Original Addressee)	
TO : LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL	FROM:	
<p>February 1955 84/1</p> <p>Mr. Russell of Georgia</p> <p>A bill to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes.</p> <p>Distribution:</p> <p>1- Dir of Personnel</p> <p>1- Comptroller</p> <p>11 April '55 H.R. Rpt 221 passed H.R. 28 Apr '55 Report sent 13 May '55 House Report 833 Diet 22 July '55 passed House 5 July '55 PL 147 Diet 5 Aug '55</p>		
DATE OF COMPLETION	Approved For Release 2002/01/10 : CIA-RDP59-00224A000200060001-7	EXTENSION

84TH CONGRESS
1ST SESSION

S. 933

IN THE SENATE OF THE UNITED STATES

FEBRUARY 4, 1955

Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request) introduced the following bill; which was read twice and referred to the Committee on Armed Services

A BILL

To facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That for the purposes of this Act the term "Department"
4 shall mean the Department of the Army, the Department
5 of the Navy, the Department of the Air Force, the Depart-
6 ment of the Treasury, the Department of Commerce, or the
7 Department of Health, Education, and Welfare, as the case
8 may be, and the terms "uniformed services," "member"
9 and "Secretary" shall have the respective meanings given
10 those terms in section 102 of the Career Compensation
11 Act of 1949 (63 Stat. 804), as amended, on the date of

1 enactment of this Act, except that "the Secretary of Health,
2 Education, and Welfare" shall be substituted for "the Federal
3 Security Administrator" in the definition of the term
4 "Secretary".

5 SEC. 2. In the settlement of the account of any deceased
6 member of the uniformed services or of the National Guard
7 or the Air National Guard, the amount found due therein
8 from the United States shall be paid to the person or persons
9 surviving at the date of death in the following order of
10 precedence:

11 First, to the beneficiary or beneficiaries named to receive
12 any such amount in a written designation executed by the
13 member and received, prior to his death, in the place desig-
14 nated for such purpose in the regulations of the Department
15 concerned;

16 Second, if there be no such beneficiary, to the widow
17 or widower of such member;

18 Third, if there be no beneficiary or surviving spouse,
19 to the child or children of such member, and descendants
20 of deceased children, by representation;

21 Fourth, if none of the above, to the parents of the
22 member, or the survivor of them; and

23 Fifth, if there be none of the above, to the duly appointed
24 legal representative of the estate of the deceased member,

1 or if there be none, to the person or persons determined
2 to be entitled thereto under the laws of the domicile of the
3 deceased member.

4 SEC. 3. Amounts payable under this Act shall be paid by
5 the Department or uniformed service concerned or upon
6 settlement by the General Accounting Office as the Comp-
7 troller General of the United States may by regulation
8 authorize and direct and any payment made under this Act
9 shall be a bar to recovery by any other person of any amount
10 so paid.

11 SEC. 4. Designations of beneficiary under this Act, and
12 changes therein, shall be made under regulations promulgated
13 by the Secretaries concerned, and such regulations shall be
14 uniform for all services in so far as practicable: *Provided*,
15 That any designation of beneficiary made for the purposes of
16 any six months' death gratuity (including any designation
17 of a person whose right to the gratuity would not depend
18 upon such designation) and heretofore or hereafter received
19 in the Department concerned before the effective date of the
20 payment provisions of this Act shall be considered as a
21 designation of beneficiary for the purposes of this Act, in the
22 absence of a designation of beneficiary under this Act, unless
23 the member making the designation shall have been missing,
24 missing in action, in the hands of a hostile force, or interned

1 in a foreign country during any part of the period between
2 the date of enactment of this Act and the effective date
3 thereof as prescribed in section 5 of this Act.

4 SEC. 5. The payment provisions of this Act shall be
5 effective only in cases wherein the member's death occurs
6 on or after the first day of the sixth month following the
7 month in which this Act is enacted and the following statu-
8 tory provisions shall have no application in such cases:

9 (1) The paragraph of the Act of June 30, 1906 (34
10 Stat. 750), which relates to the settlement of accounts of
11 deceased officers and enlisted men of the Army, as amended
12 by the Act of December 7, 1944 (58 Stat. 795), and sec-
13 tion 4 of the Act of February 25, 1946 (60 Stat. 30, 10
14 U. S. C. 868).

15 (2) Section 1 of the Act of February 25, 1946 (60
16 Stat. 30), as amended by section 18 of the Act of August 4,
17 1949 (63 Stat. 560, 34 U. S. C. 941a).

18 (3) The paragraph in section 1 of the Act of August
19 4, 1949 (63 Stat. 531), which relates to the settlement of
20 accounts of deceased officers and enlisted persons of the
21 Coast Guard (14 U. S. C. 466).

22 (4) Section 507 of the Public Health Service Act,
23 approved July 1, 1944 (58 Stat. 711), as amended by

1 section 2 of the Act of February 25, 1946 (60 Stat. 30,
2 42 U. S. C. 225).

3 SEC. 6. The Departments shall take such action as is
4 deemed necessary to notify members of the provisions of this
5 Act and of their rights to designate beneficiaries hereunder.

84TH CONGRESS
1ST SESSION

S. 933

A BILL

To facilitate the settlement of the accounts of
deceased members of the uniformed services,
and for other purposes.

By Mr. RUSSELL and Mr. SALTONSTALL

FEBRUARY 4, 1955

Read twice and referred to the Committee on
Armed Services

NOTICE OF PENDING LEGISLATION		DATE
		LEGISLATIVE BILL NO. S. 933
SECTION I GENERAL		
TO : Director of Personnel ✓ Comptroller		FROM: LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL
THE ATTACHED BILL, WHICH HAS BEEN INTRODUCED INTO CONGRESS, IS: <input type="checkbox"/> SENT TO YOU FOR INFORMATION ONLY. <input type="checkbox"/> A BILL ON WHICH FAVORABLE CONGRESSIONAL ACTION <input type="checkbox"/> IS <input type="checkbox"/> IS NOT PREDICTED. <input checked="" type="checkbox"/> SENT FOR YOUR COMMENT AS TO WHETHER IT IS OF INTEREST TO CIA ACTIVITIES, AND WHETHER FURTHER ACTION BY THIS OFFICE IS NECESSARY OR DESIRED. <div style="border: 1px solid black; padding: 5px; margin: 10px 0;">IT IS REQUESTED THAT COMMENTS CONCERNING THIS LEGISLATION BE FORWARDED, THROUGH APPROPRIATE CHANNELS, TO THIS OFFICE, BY _____.</div>		
SECTION II COMMENTS (From Original Addressee)		
TO : LEGISLATIVE COUNSEL OFFICE OF GENERAL COUNSEL		FROM: Comptroller
This Bill is of no special interest.		
DATE OF COMMENTS 20 April 1955	SIGNATURE AND TITLE E. R. SAUNDERS, Comptroller	EXTENSION 00060001-7

STATINTL

STATINTL

CENTRAL INTELLIGENCE AGENCY
OFFICIAL ROUTING SLIP

TO		INITIALS	DATE
1	Deputy Director (Support)		
2	Legislative Counsel / <i>OFC</i>		
3	<i>223 EAST</i>		
4			
5			
FROM		INITIALS	DATE
1	Comptroller		4-20-55
2			
3			

<input type="checkbox"/> APPROVAL	<input type="checkbox"/> INFORMATION	<input type="checkbox"/> SIGNATURE
<input type="checkbox"/> ACTION	<input type="checkbox"/> DIRECT REPLY	<input type="checkbox"/> RETURN
<input type="checkbox"/> COMMENT	<input type="checkbox"/> PREPARATION OF REPLY	<input type="checkbox"/> DISPATCH
<input type="checkbox"/> CONCURRENCE	<input type="checkbox"/> RECOMMENDATION	<input type="checkbox"/> FILE

Remarks:

Public Law 147 - 84th Congress
Chapter 328 - 1st Session
S. 933

AN ACT

To facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of this Act the term "Department" shall mean the Department of the Army, the Department of the Navy, the Department of the Air Force, the Department of the Treasury, the Department of Commerce, or the Department of Health, Education, and Welfare, as the case may be, and the terms "uniformed services," "member" and "Secretary" shall have the respective meanings given those terms in section 102 of the Career Compensation Act of 1949 (63 Stat. 804), as amended, on the date of enactment of this Act, except that "the Secretary of Health, Education, and Welfare" shall be substituted for "the Federal Security Administrator" in the definition of the term "Secretary". ^{Uniformed services. Accounts of deceased members. 37 USC 231.}

SEC. 2. In the settlement of the account of any deceased member of the uniformed services or of the National Guard or the Air National Guard, the amount found due therein from the uniformed service of which the decedent was a member shall be paid to the person or persons surviving at the date of death in the following order of precedence: ^{Precedence of beneficiaries.}

First, to the beneficiary or beneficiaries named to receive any such amount in a written designation executed by the member and received, prior to his death, in the place designated for such purpose in the regulations of the Department concerned; ^{69 Stat. 295. 69 Stat. 296.}

Second, if there be no such beneficiary, to the widow or widower of such member;

Third, if there be no beneficiary or surviving spouse, to the child or children of such member, and descendants of deceased children, by representation;

Fourth, if none of the above, to the parents of the member, or the survivor of them; and

Fifth, if there be none of the above, to the duly appointed legal representative of the estate of the deceased member, or if there be none, to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member.

SEC. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under section 2 of this Act shall be paid by the Department or uniformed service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid. ^{Payments.}

SEC. 4. Designations of beneficiary under this Act, and changes therein, shall be made under regulations promulgated by the Secretaries concerned, and such regulations shall be uniform for all services in so far as practicable: *Provided*, That any designation of beneficiary made for the purposes of any six months' death gratuity (including any designation of a person whose right to the gratuity would not depend upon such designation) and heretofore or hereafter received in the Department concerned before the effective date of the payment provisions of this Act shall be considered as a designation of beneficiary for the purposes of this Act, in the absence of a designation of beneficiary under this Act, unless the member making the designation shall have been missing, missing in action, in the hands of a hostile force, or interned in a foreign country during any part of the period between the date of enactment of this Act and the effective date thereof as prescribed in section 5 of this Act. ^{Designation of beneficiary.}

Pub. Law 147
All 69 Stat. 296.

-2-

Effective date. SEC. 5. The payment provisions of this Act shall be effective only in cases wherein the member's death occurs on or after the first day of the sixth month following the month in which this Act is enacted.

Repeals. The following statutory provisions are repealed as of the effective date of the payment provisions of this Act, except with respect to the deaths of members occurring prior to such effective date:

(1) The paragraph of the Act of June 30, 1906 (34 Stat. 750), which relates to the settlement of accounts of deceased officers and enlisted men of the Army, as amended by the Act of December 7, 1944 (58 Stat. 795), and section 4 of the Act of February 25, 1946 (60 Stat. 30, 10 U. S. C. 868).

(2) Section 1 of the Act of February 25, 1946 (60 Stat. 30), as amended by section 18 of the Act of August 4, 1949 (63 Stat. 560, 34 U. S. C. 941a).

(3) The paragraph in section 1 of the Act of August 4, 1949 (63 Stat. 531), which relates to the settlement of accounts of deceased officers and enlisted persons of the Coast Guard (14 U. S. C. 466).

(4) Section 507 of the Public Health Service Act, approved July 1, 1944 (58 Stat. 711), as amended by section 2 of the Act of February 25, 1946 (60 Stat. 30, 42 U. S. C. 225).

Approved July 12, 1955.

Calendar No. 225

84TH CONGRESS }
1st Session }

SENATE

REPORT
No. 221

SETTLEMENT OF ACCOUNTS OF DECEASED MEMBERS
OF THE UNIFORMED SERVICES

APRIL 25, 1955.—Ordered to be printed

Mr. JACKSON, from the Committee on Armed Services, submitted the
following

R E P O R T

[To accompany S. 933]

The Committee on Armed Services, to whom was referred the bill (S. 933) to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill, as amended, do pass.

AMENDMENTS TO THE BILL

The amendments are as follows:

On page 2, line 8, strike the words "the United States" and insert in lieu thereof "the uniformed service of which the decedent was a member".

On page 3, beginning with line 4 and ending line 10, delete all of section 3 and insert in lieu thereof the following:

SEC. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under Section 2 of this Act shall be paid by the Department or uniformed service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid.

On page 4, beginning with line 4, delete all through line 8, and insert in lieu thereof the following:

SEC. 5. The payment provisions of this Act shall be effective only in cases wherein the member's death occurs on or after the first day of the sixth month following the month in which this Act is enacted. The following statutory provisions are repealed as of the effective date of the payment provisions of this Act, except with respect to the deaths of members occurring prior to such effective date:

On page 5, beginning with line 3 and ending line 5, delete all of section 6.

PURPOSE OF COMMITTEE AMENDMENTS

The committee amendments do not revise the sense of the bill, but were adopted in order to clarify certain provisions. Each amendment is explained in the appropriate sectional analysis of the bill.

PURPOSE OF THE BILL

The purpose of the bill is to facilitate the settlement of the final pay account of deceased members of the Armed Forces by providing that military members may designate a beneficiary to receive their final pay.

EXISTING LAW AND LEGISLATIVE BACKGROUND

Under existing law there is no authority by which a military member may designate the beneficiary for his final pay account. This pay refers to the amount of military compensation due the member from the time he was last paid until the date of his death, or, in the case of a person who has been carried in an absent-casualty status, to the presumed date of death (if any), or the date of receipt of evidence of death.

The existing statutes relating to the settlement of final pay for the various military departments provide that payment of the final pay will be made in the following order of priority: (1) To a duly appointed legal representative, if a claim is submitted by him before settlement with a person of another authorized class; (2) to the widow or widower; (3) to the children; (4) to the father and mother in equal parts or to the survivor thereof; and (5) to the brothers and sisters and children of deceased brothers and sisters, per stirpes. These authorities also provide that final settlement will be made by the General Accounting Office.

ADMINISTRATION OF EXISTING LAW BY THE COMPTROLLER GENERAL

The Comptroller General, in recommending this legislation, noted the need for simplifying the existing statutes. Under existing law considerable administrative effort is required in order to determine the persons entitled to the pay balances due the estates of deceased servicemen. Cases often require the Comptroller to determine the validity of marriages, divorces, and legitimacy, and often involve determinations under the laws of the various States. Examples under existing law are "multiple widow" cases, wherein more than one spouse may present herself as the legal wife; instances involving adoptive parents; and cases involving legitimacy.

Also, under existing law, the "father desertion" and "foster parent" cases present troublesome problems. As to the first class, objection often is raised to payment (as required by existing law) to a father who deserted his wife and family while the children were small. As to the second class, a natural parent usually receives the balance due the decedent to the exclusion of a foster parent who may have reared the serviceman from infancy to manhood.

AIM OF S. 933

The aim of this bill is to permit the soldier himself to designate a beneficiary for his final pay. The measure in substance, by permitting a designated beneficiary, provides for a testamentary disposition by the serviceman of that part of his estate representing his final pay. This legislation would therefore permit the serviceman to make his own choice as to such beneficiary and at the same time relieve the General Accounting Office and the military departments of considerable administrative burden and cost in connection with the settlement of final-pay accounts.

SIMILAR EXISTING LEGISLATION

Military members under existing law may designate a beneficiary with regard to the 6 months' death gratuity and with respect to the servicemen's indemnity payments. There is also presently in effect legislation (Public Law 636, Aug. 3, 1950, 81st Cong.) providing that civilian officers and employees of the Federal Government may designate the beneficiaries of their final pay. This bill is patterned after Public Law 636.

The General Accounting Office has found that Public Law 636 has resulted in the more prompt settlement of the accounts of deceased civilian officers and employees of the Government as well as in substantial savings of administrative costs to the agencies and to the General Accounting Office.

SECTIONAL ANALYSIS OF THE BILL

Section 1. Executive departments affected

Section 1 in defining the departments to which the bill would be applied names the military departments, the Department of the Treasury for the Coast Guard, the Department of Commerce for the Coast and Geodetic Survey, and the Department of Health, Education, and Welfare for the Public Health Service. The members of the uniformed services are defined as presently provided for in military-pay legislation.

Section 2. Order of distribution

This section provides that where a deceased military member has an amount of final pay due from his military service, that the amount will be paid in the following order of precedence: (1) To a designated beneficiary; (2) to the widow or widower; (3) to the child or children and their descendants by representation; (4) to the parents or the survivor of them; and (5) to the duly appointed legal representative of the estate of the deceased member or if none to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member. It is significant to note that the bill modifies existing law by authorizing payment first to the designated beneficiary, and places the legal representative of the estate at the end of the order of precedence.

The order of precedence under this bill is identical to that provided for civilian employees of the Federal Government under Public Law 636, 81st Congress, and for Federal employees group insurance under Public Law 598, 83d Congress.

The committee added amending legislation to this section in order to make certain that the only final pay which would be subject to distribution under the bill would be that which the decedent was due from the military department in which he served.

Section 3. Departmental settlement responsibility

This section provides that the military department concerned shall make payment to the beneficiaries designated to receive the final pay. The General Accounting Office estimates that under this authority about 95 percent of the payments would be made by the military departments. All other payments would be made by the General Accounting Office. The section further provides that the Comptroller General shall prescribe regulations concerning the payments by the military departments. These regulations, together with the normal post audit procedure by the General Accounting Office, will insure adequate protection of the interest of the United States, as well as the interest of the beneficiaries.

Section 4. Designation of beneficiary before effective date of payment provisions

This section relates to the designation of a beneficiary prior to the effective date of the payment provisions of the bill, which provisions would become effective on the first day of the sixth month following the date of enactment. The section provides that in the absence of the designation of a beneficiary under the act, that a beneficiary designated, during this period, for the purpose of the 6 months' death gratuity pay would be considered as a beneficiary for the purpose of this act, except in the case of a member who is missing in action in the hands of a hostile force or interned in a foreign country during any part of the period between the date of enactment of the act and the effective date of the payment provisions.

Section 5. Effective date of payment provisions

This section provides that the payment provisions of the bill will be effective only in cases where the member's death occurs on or after the first day of the sixth month following the month in which the act is enacted. This section also repeals existing statutes on final pay accounts as of the effective date of the payment provisions of the act, with the exception that payments in cases involving deaths occurring prior to the effective date of the payment provisions will be made under the inoperative statutes.

The amending language expressly repeals existing statutes but makes an appropriate savings provision.

Deleted section

The committee deleted section 6 of the bill as being unnecessary. This section would have provided that the departments take the necessary action to inform members of their rights to designate beneficiaries.

DEPARTMENTAL RECOMMENDATIONS—BUDGET DATE

This bill was recommended by the Comptroller General as a legislative recommendation to the Congress. The Comptroller General's office has informed the committee that prior to submission of the legislative proposal to the Congress, all of the executive departments concerned indicated agreement with the intent and purpose of the

ACCOUNTS OF DECEASED MEMBERS OF UNIFORMED SERVICES 5

proposed measure. The Department of the Army on behalf of the Department of Defense approves its enactment.

The Comptroller General estimates that the enactment of this legislation should result in a considerable saving in the administrative costs relating to the settlement of final pay accounts.

Following below are the appropriate letters from the Comptroller General and the Department of the Army.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, January 27, 1955.

HON. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services,
United States Senate.

DEAR MR. CHAIRMAN: Under date of July 1, 1953, the former Comptroller General transmitted to the then chairman of your committee a draft of a proposed bill to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes. This bill was designed to simplify the settlement of the accounts of deceased members of the uniformed services and to expedite payment of the amounts found due.

The proposed draft was introduced in the 83d Congress as S. 2311, but failed of enactment. Under date of June 22, 1954, the General Accounting Office, at the request of the Bureau of the Budget, reviewed a proposed report of the Secretary of the Army for the Department of Defense to your committee on the bill. Such report disclosed general agreement with the purposes of the legislation with certain proposed changes of a minor nature, none of which are the subject of serious objection by the General Accounting Office.

There are enclosed a copy of the draft of the bill, a copy of the letter addressed by the former Comptroller General to the then chairman of your committee under date of July 1, 1953, which letter sets forth in detail the nature of the proposed legislation and the purposes sought to be accomplished thereby, and a copy of letter of June 22, 1954, to the Director of the Bureau of the Budget expressing the views of the General Accounting Office on the proposed report of the Department of Defense on the bill.

It is believed that the enactment of the legislation proposed will result in an improvement in the manner of the handling of payments of the type involved, that it will facilitate such payments and will result in substantial administrative savings to the Government. Therefore, and since the several departments affected by the bill have indicated their agreement with the purposes sought to be accomplished thereby, it is recommended that the matter be given early consideration by your committee. Representatives of the General Accounting Office will, of course, be available to furnish any additional explanation or information desired by the committee.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

DEPARTMENT OF THE ARMY,
Washington, D. C., March 30, 1955.

HON. RICHARD B. RUSSELL,
Chairman, Committee on Armed Services,
United States Senate.

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to S. 933, 84th Congress, a bill to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes. The Secretary of Defense has delegated to the Department of the Army the responsibility for expressing the views of the Department of Defense thereon.

The purpose of the proposed bill is to provide uniformity of procedure between military and civilian personnel and to simplify and expedite disposition of accounts by permitting the Departments to settle the accounts of deceased members of the uniformed services if authorized by the Comptroller General of the United States,

6 ACCOUNTS OF DECEASED MEMBERS OF UNIFORMED SERVICES

rather than submitting such accounts to the General Accounting Office for settlement as now required by law.

The proposed bill is patterned after the act of August 3, 1950 (Public Law 636, 81st Cong.; 64 Stat. 395), which is applicable to civilian officers and employees of the Federal Government. One of the differences between the proposed bill and the present law (10 U. S. C. 868, 34 U. S. C. 941a) is the order of distribution. Under the proposed bill the amount due would go to (1) a previously designated beneficiary; if none (2) to the widow or widower; (3) if no beneficiary or surviving spouse, to the child or children; (4) to the parents or survivor of them; (5) to the duly appointed legal representative of the estate or if there be none to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member. Another difference is that under existing law rights vest as of the date of settlement, whereas under the proposal rights would vest "at the date of death."

The measure in effect permits what in substance is a testamentary disposition by the serviceman of that part of his estate representing final pay in favor of a designated beneficiary. Such person has the right to do this under the general laws of most States and no reason is seen why with respect to this part of his estate, namely, arrears of pay, he should not be given an opportunity to designate a beneficiary therefor. As a matter of fact, settlements under the proposed measure would simplify the disposition of such accounts, obviating the necessity in many cases of determining the validity of marriages, divorces, the legitimacy of children, etc., by making payment to the designated beneficiary. Also, in the interest of uniformity of procedure, so far as military and civilian personnel are concerned, this measure is deemed desirable. The Department perceives no difference legally, or otherwise, between the status of military or civilians so far as affecting their right to designate beneficiaries to receive this part of the estate of the deceased, and favors the provision of the bill which would establish an order for the distribution of the amounts due which gives first priority to the beneficiary named by the deceased member of the uniformed services or of the National Guard or the Air National Guard.

With regard to the term "amount found due" in section 2 of the bill, it is recommended that the bill be amended to define the term at least insofar as military personnel are concerned, to make it clear that the amounts found due are limited to amounts due from the respective military departments rather than from the United States generally. This may be accomplished by deleting the words "United States" in section 2 of the bill (line 7, p. 2) and inserting in lieu thereof "the uniformed service of which the decedent was a member".

Section 3 of the act of August 3, 1950 (64 Stat. 396) authorizes the employing agency to pay the amount found due in the account of a civilian employee of the Government only where there is a designated beneficiary or where the payment is to be made to a surviving spouse and provides that in other cases payment will be made on settlement by the General Accounting Office. While the Comptroller General, under section 3 of the proposed bill, might have authority to promulgate regulations it is considered preferable to amend the proposed bill so as to include a provision similar to that contained in section 3 of the act of August 3, 1950. In discussions with representatives of the General Accounting Office with reference to an amendment, the following substitute language was recommended:

"Sec. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under section 2 of this Act shall be paid by the Department or Uniformed Service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid."

This language will allow the military departments to pay the amounts found due to a designated beneficiary only. However, in view of the fact that representatives of the General Accounting Office advise that this authority will provide for the settlement of approximately 95 percent of the cases, the Department of the Army on behalf of the Department of Defense is agreeable to the proposed substitute language.

Representatives of the General Accounting Office have also recommended that the first five lines of section 5 of the bill be deleted and the following language substituted therefor:

"Sec. 5. The payment provisions of this Act shall be effective only in cases wherein the member's death occurs on or after the first day of the sixth month following the month in which this Act is enacted. The following statutory

ACCOUNTS OF DECEASED MEMBERS OF UNIFORMED SERVICES 7

provisions are repealed as of the effective date of the payment provisions of this Act, except with respect to the deaths of members occurring prior to such effective date."

There is no objection to such substitute language.

Section 6 of S. 933 appears to be superfluous since notification to members of the department or uniformed service concerned would normally be made as a matter of good administrative procedure, and it should not be necessary to enact such a provision into positive law. Accordingly, it is recommended that section 6 of the proposed bill be deleted.

Subject to the above comments, the Department of the Army on behalf of the Department of Defense interposes no objection to the enactment of S. 933.

Enactment of this bill would result in no additional budgetary requirements to the Department of Defense. A savings in administrative costs would be realized.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

CHARLES C. FINUCANE,
Acting Secretary of the Army.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, there is herewith printed in parallel columns the text of provisions of existing law which would be repealed or amended by the various provisions of the bill:

EXISTING LAW

THE BILL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of this Act the term "Department" shall mean the Department of the Army, the Department of the Navy, the Department of the Air Force, the Department of the Treasury, the Department of Commerce, or the Department of Health, Education, and Welfare, as the case may be, and the terms "uniformed services," "member" and "Secretary" shall have the respective meanings given those terms in section 102 of the Career Compensation Act of 1949 (63 Stat. 804), as amended, on the date of enactment of this Act, except that "the Secretary of Health, Education, and Welfare" shall be substituted for "the Federal Security Administrator" in the definition of the term "Secretary".

(10 U. S. C. 868)

In the settlement of the accounts of deceased officers or enlisted persons of the Army, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per

Sec. 2. In the settlement of the account of any deceased member of the uniformed services or of the National Guard or the Air National Guard, the amount found due therein from the uniformed service of which the decedent was a member shall be paid to the person or persons surviving at the date of death in the following order of precedence:

First, to the beneficiary or beneficiaries named to receive any such amount in a written designation exe-

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stirpes; third, if no widow, widower, or descendants, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes: *Provided*, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(34 U. S. C. 941a)

In the settlement of the accounts of deceased officers or enlisted persons of the Navy and Marine Corps where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow, widower, or descendants, then to their father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes; *Provided*, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(14 U. S. C. 466)

In the settlement of the accounts of deceased officers or enlisted persons, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: first, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower is dead at the time of settlement, then to the children or their issue, per stirpes;

THE BILL

cut by the member and received, prior to his death, in the place designated for such purpose in the regulations of the Department concerned;

Second, if there be no such beneficiary, to the widow or widower of such member;

Third, if there be no beneficiary or surviving spouse, to the child or children of such member, and descendants of deceased children, by representation;

Fourth, if none of the above, to the parents of the member, or the survivor of them; and

Fifth, if there be none of the above, to the duly appointed legal representative of the estate of the deceased member, or if there be none, to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member.

EXISTING LAW

THE BILL

third if no widow, widower, or descendant; then to the father and mother in equal parts; fourth, if either the father or mother is dead, then to the one surviving; fifth, if there is no widow, widower, child, father, or mother, at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes. This section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(42 U. S. C. 225)

(a) In the settlement of the accounts of deceased commissioned officers where no demand is presented by a duly appointed representative of the estate, the accounting officers may allow the amount found due to the decedent's widow or legal heirs in the following order of precedence: First, to the widow; second, if the decedent left no widow, or the widow be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow or children or their issue, then to the father and mother in equal parts, provided the father has not abandoned the support of his family, in which case to the mother alone; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes.

(b) Subsection (a) shall not be construed so as to prevent payment of funeral expenses from the amount due the decedent's estate if a claim therefor is presented, before settlement by the accounting officers, by the person or persons who actually paid such expenses.

Sec. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under section 2 of this Act shall be paid by the Department or uniformed service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid.

Sec. 4. Designations of beneficiary under this Act, and changes therein, shall be made under regulations promul-

84TH CONGRESS 1st Session	} HOUSE OF REPRESENTATIVES {	REPORT No. 833
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FACILITATE THE SETTLEMENT OF THE ACCOUNTS OF
DECEASED MEMBERS OF THE UNIFORMED SERVICES

JUNE 15, 1955.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. GAVIN, from the Committee on Armed Services, submitted the
following

R E P O R T

[To accompany S. 933]

The Committee on Armed Services, to whom was referred the bill (S. 933) to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is to facilitate the settlement of the final pay account of deceased members of the Armed Forces by providing that military members may designate a beneficiary to receive their final pay.

Under existing law there is no authority by which a military member may designate the beneficiary for his final pay account. This pay refers to the amount of military compensation due the member from the time he was last paid until the date of his death, or, in the case of a person who has been carried in an absent-casualty status, to the presumed date of death (if any), or the date of receipt of evidence of death.

The existing statutes relating to the settlement of final pay for the various military departments provide that payment of the final pay will be made in the following order of priority: (1) to a duly appointed legal representative, if a claim is submitted by him before settlement with a person of another authorized class; (2) to the widow or widower; (3) to the children; (4) to the father and mother in equal parts or to the survivor thereof; and (5) to the brothers and sisters and children of deceased brothers and sisters, per stirpes. These authorities also provide that final settlement will be made by the General Accounting Office.

The Comptroller General, in recommending this legislation, noted the need for simplifying the existing statutes. Under existing law considerable administrative effort is required in order to determine the persons entitled to the pay balances due the estates of deceased servicemen. Cases often require the Comptroller to determine the validity of marriages, divorces, and legitimacy, and often involve determinations under the laws of the various States. Examples under existing law are "multiple widow" cases, wherein more than one spouse may present herself as the legal wife; instances involving adoptive parents; and cases involving legitimacy.

Also, under existing law, the "father desertion" and "foster parent" cases present troublesome problems. As to the first class, objection often is raised to payment (as required by existing law) to a father who deserted his wife and family while the children were small. As to the second class, a natural parent usually receives the balance due the decedent to the exclusion of a foster parent who may have reared the serviceman from infancy to manhood.

The proposed legislation will permit the soldier himself to designate a beneficiary for his final pay. The measure in substance, by permitting a designated beneficiary, provides for a testamentary disposition by the serviceman of that part of his estate representing his final pay. This legislation would therefore permit the serviceman to make his own choice as to such beneficiary and at the same time relieve the General Accounting Office and the military departments of considerable administrative burden and cost in connection with the settlement of final-pay accounts.

Military members under existing law may designate a beneficiary with regard to the 6 months' death gratuity and with respect to the servicemen's indemnity payments. There is also presently in effect legislation (Public Law 636, Aug. 3, 1950, 81st Cong.) providing that civilian officers and employees of the Federal Government may designate the beneficiaries of their final pay. This bill is patterned after Public Law 636.

The General Accounting Office has found that Public Law 636 has resulted in the more prompt settlement of the accounts of deceased civilian officers and employees of the Government as well as in substantial savings of administrative costs to the agencies and to the General Accounting Office.

SECTIONAL ANALYSIS OF THE BILL

Section 1. Executive departments affected

Section 1 in defining the departments to which the bill would be applied names the military departments, the Department of the Treasury for the Coast Guard, the Department of Commerce for the Coast and Geodetic Survey, and the Department of Health, Education, and Welfare for the Public Health Service. The members of the uniformed services are defined as presently provided for in military-pay legislation.

Section 2. Order of distribution

This section provides that where a deceased military member has an amount of final pay due from his military service, that the amount will be paid in the following order of precedence: (1) To a designated

beneficiary; (2) to the widow or widower; (3) to the child or children and their descendants by representation; (4) to the parents or the survivor of them; and (5) to the duly appointed legal representative of the estate of the deceased member or if none to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member. It is significant to note that the bill modifies existing law by authorizing payment first to the designated beneficiary, and places the legal representative of the estate at the end of the order of precedence.

The order of precedence under this bill is identical to that provided for civilian employees of the Federal Government under Public Law 636, 81st Congress, and for Federal employees group insurance under Public Law 598, 83d Congress.

Section 3. Departmental settlement responsibility

This section provides that the military department concerned shall make payment to the beneficiaries designated to receive the final pay. The General Accounting Office estimates that under this authority about 95 percent of the payments would be made by the military departments. All other payments would be made by the General Accounting Office. The section further provides that the Comptroller General shall prescribe regulations concerning the payments by the military departments. These regulations, together with the normal post audit procedure by the General Accounting Office, will insure adequate protection of the interest of the United States, as well as the interest of the beneficiaries.

Section 4. Designation of beneficiary before effective date of payment provisions

This section relates to the designation of a beneficiary prior to the effective date of the payment provisions of the bill, which provisions would become effective on the first day of the sixth month following the date of enactment. The section provides that in the absence of the designation of a beneficiary under the act, that a beneficiary designated, during this period, for the purpose of the 6 months' death gratuity pay would be considered as a beneficiary for the purpose of this act, except in the case of a member who is missing in action in the hands of a hostile force or interned in a foreign country during any part of the period between the date of enactment of the act and the effective date of the payment provisions.

Section 5. Effective date of payment provisions

This section provides that the payment provisions of the bill will be effective only in cases where the member's death occurs on or after the first day of the sixth month following the month in which the act is enacted. This section also repeals existing statutes on final pay accounts as of the effective date of the payment provisions of the act, with the exception that payments in cases involving deaths occurring prior to the effective date of the payment provisions will be made under the inoperative statutes.

The proposed legislation was recommended by the Comptroller General as a legislative recommendation to the Congress. The Comptroller General's Office has informed the committee that prior to submission of the legislative proposal to the Congress, all of the

executive departments concerned indicated agreement with the intent and purpose of the proposed measure. The Department of the Army on behalf of the Department of Defense approves its enactment.

The Comptroller General estimates that the enactment of this legislation should result in a considerable saving in the administrative costs relating to the settlement of final pay accounts.

Following below are the appropriate letters from the Comptroller General and the Department of the Army.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington 25, January 27, 1955.

HON. CARL VINSON,
*Chairman, Committee on Armed Services,
House of Representatives.*

DEAR MR. CHAIRMAN: Under date of July 1, 1953, the former Comptroller General transmitted to the then chairman of your committee a draft of a proposed bill to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes. This bill was designed to simplify the settlement of the accounts of deceased members of the uniformed services and to expedite payment of the amounts found due.

The proposed draft was introduced in the 83d Congress as H. R. 6283, but failed of enactment. Under date of June 22, 1954, the General Accounting Office, at the request of the Bureau of the Budget, reviewed a proposed report of the Secretary of the Army, for the Department of Defense, to the Senate Committee on Armed Services on the bill S. 2311, identical to H. R. 6283. Such report disclosed general agreement with the purposes of the legislation with certain proposed changes of a minor nature, none of which are the subject of serious objection by the General Accounting Office.

There are enclosed a copy of the draft of the bill, a copy of the letter addressed by the former Comptroller General to the then chairman of your committee under date of July 1, 1953, which letter sets forth in detail the nature of the proposed legislation and the purposes sought to be accomplished thereby, and a copy of letter of June 22, 1954, to the Director of the Bureau of the Budget expressing the views of the General Accounting Office on the proposed report of the Department of Defense on the bill S. 2311.

It is believed that the enactment of the legislation proposed will result in an improvement in the manner of the handling of payments of the type involved, that it will facilitate such payments and will result in substantial administrative savings to the Government. Therefore, and since the several departments affected by the bill have indicated their agreement with the purposes sought to be accomplished thereby, it is recommended that the matter be given early consideration by your committee. Representatives of the General Accounting Office will, of course, be available to furnish any additional explanation or information desired by the committee.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., May 5, 1955.

HON. CARL VINSON,
*Chairman, Committee on Armed Services,
House of Representatives.*

DEAR MR. CHAIRMAN: Reference is made to your request to the Secretary of Defense for the views of the Department of Defense with respect to H. R. 3442, 84th Congress, a bill to facilitate the settlement of the accounts of deceased members of the uniformed services, and for other purposes. The Secretary of Defense has delegated to the Department of the Army the responsibility for expressing the views of the Department of Defense thereon.

The purpose of the proposed bill is to provide uniformity of procedure between military and civilian personnel and to simplify and expedite disposition of accounts by permitting the Departments to settle the accounts of deceased members of the uniformed services if authorized by the Comptroller General of the United States, rather than submitting such accounts to the General Accounting Office for settlement as now required by law.

The proposed bill is patterned after the act of August 3, 1950 (Public Law 636, 81st Cong.; 64 Stat. 395), which is applicable to civilian officers and employees of the Federal Government. One of the differences between the proposed bill and the present law (10 U. S. C. 868, 34 U. S. C. 941a) is the order of distribution. Under the proposed bill the amount due would go to (1) a previously designated beneficiary; if none (2) to the widow or widower; (3) if no beneficiary or surviving spouse, to the child or children; (4) to the parents or survivor of them; (5) to the duly appointed legal representative of the estate or if there be none to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member. Another difference is that under existing law rights vest as of the date of settlement, whereas under the proposal rights would vest "at the date of death."

The measure in effect permits what in substance is a testamentary disposition by the serviceman of that part of his estate representing final pay in favor of a designated beneficiary. Such person has the right to do this under the general laws of most States and no reason is seen why with respect to this part of his estate, namely, arrears of pay, he should not be given an opportunity to designate a beneficiary therefor. As a matter of fact, settlements under the proposed measure would simplify the disposition of such accounts, obviating the necessity, in many cases of determining the validity of marriages, divorces, the legitimacy of children, etc., by making payment to the designated beneficiary. Also, in the interest of uniformity of procedure, so far as military and civilian personnel are concerned, this measure is deemed desirable. The Department perceives no difference legally, or otherwise, between the status of military or civilians so far as affecting their right to designate beneficiaries to receive this part of the estate of the deceased, and favors the provision of the bill which would establish an order for the distribution of the amounts due which gives first priority to the beneficiary named by the deceased member of the uniformed services or of the National Guard or the Air National Guard.

With regard to the term "amount found due" in section 2 of the bill, it is recommended that the bill be amended to define the term at least insofar as military personnel are concerned, to make it clear that the amounts found due are limited to amounts due from the respective military departments rather than from the United States generally. This may be accomplished by deleting the words "United States" in section 2 of the bill (line 7, p. 2) and inserting in lieu thereof "the uniformed service of which the decedent was a member".

Section 3 of the act of August 3, 1950 (64 Stat. 396) authorizes the employing agency to pay the amount found due in the account of a civilian employee of the Government only where there is a designated beneficiary or where the payment is to be made to a surviving spouse and provides that in other cases payment will be made on settlement by the General Accounting Office. While the Comptroller General, under section 3 of the proposed bill, might have authority to promulgate regulations it is considered preferable to amend the proposed bill so as to include a provision similar to that contained in section 3 of the act of August 3, 1950. In discussions with representatives of the General Accounting Office with reference to an amendment, the following substitute language was recommended:

"Sec. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under section 2 of this Act shall be paid by the Department or Uniformed Service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid."

This language will allow the military departments to pay the amounts found due to a designated beneficiary only. However, in view of the fact that representatives of the General Accounting Office advise that this authority will provide for the settlement of approximately 95 percent of the cases, the Department of the Army on behalf of the Department of Defense is agreeable to the proposed substitute language.

Representatives of the General Accounting Office have also recommended that the first five lines of section 5 of the bill be deleted and the following language substituted therefor:

"Sec. 5. The payment provisions of this Act shall be effective only in cases wherein the member's death occurs on or after the first day of the sixth month following the month in which this Act is enacted. The following statutory provisions are repealed as of the effective date of the payment provisions of this Act, except with respect to the deaths of members occurring prior to such effective date:"

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There is no objection to such substitute language.

Section 6 of S. 933 appears to be superfluous since notification to members of the department or uniformed service concerned would normally be made as a matter of good administrative procedure, and it should not be necessary to enact such a provision into positive law. Accordingly, it is recommended that section 6 of the proposed bill be deleted.

Subject to the above comments, the Department of the Army on behalf of the Department of Defense interposes no objection to the enactment of S. 933.

Enactment of this bill would result in no additional budgetary requirements to the Department of Defense. A savings in administrative costs would be realized.

This report has been coordinated within the Department of Defense in accordance with procedures prescribed by the Secretary of Defense.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

ROBERT T. STEVENS
Secretary of the Army.

CHANGES IN EXISTING LAW

In compliance with clause 3, of rule XIII of the Rules of the House of Representatives, there is herewith printed in parallel columns the text of provisions of existing laws which would be repealed or amended by the various provisions of the bill

EXISTING LAW

THE BILL

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purposes of this Act the term "Department" shall mean the Department of the Army, the Department of the Navy, the Department of the Air Force, the Department of the Treasury, the Department of Commerce, or the Department of Health, Education, and Welfare, as the case may be, and the terms "uniformed services," "member" and "Secretary" shall have the respective meanings given those terms in section 102 of the Career Compensation Act of 1949 (63 Stat. 804), as amended, on the date of enactment of this Act, except that "the Secretary of Health, Education, and Welfare" shall be substituted for "the Federal Security Administrator" in the definition of the term "Secretary".

(10 U. S. C. 868)

In the settlement of the accounts of deceased officers or enlisted persons of the Army, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow, widower, or

SEC. 2. In the settlement of the account of any deceased member of the uniformed services or of the National Guard or the Air National Guard, the amount found due therein from the uniformed service of which the decedent was a member shall be paid to the person or persons surviving at the date of death in the following order of precedence:

First, to the beneficiary or beneficiaries named to receive any such amount in a written designation executed by the member and received;

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descendants, then to the father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes: *Provided*, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(34 U. S. C. 941a)

In the settlement of the accounts of deceased officers or enlisted persons of the Navy and Marine Corps where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow, widower, or descendants, then to their father and mother in equal parts; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, widower, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes; *Provided*, That this section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(14 U. S. C. 466)

In the settlements of the accounts of deceased officers or enlisted persons, where no demand is presented by a duly appointed legal representative of the estate, the accounting officers may allow the amount found due to the decedent's widow, widower, or legal heirs in the following order of precedence: First, to the widow or widower; second, if decedent left no widow or widower, or the widow or widower is dead at the time of settlement, then to the children or their issue, per stirpes; third if no widow, widower, or descend-

THE BILL

prior to his death, in the place designated for such purpose in the regulations of the Department concerned;

Second, if there be no such beneficiary, to the widow or widower of such member;

Third, if there be no beneficiary or surviving spouse, to the child or children of such member, and descendants of deceased children, by representation;

Fourth, if none of the above, to the parents of the member, or the survivor of them; and

Fifth, if there be none of the above, to the duly appointed legal representative of the estate of the deceased member, or if there be none, to the person or persons determined to be entitled thereto under the laws of the domicile of the deceased member.

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ants, then to the father and mother in equal parts; fourth, if either the father or mother is dead, then to the one surviving; fifth, if there is no widow, widower, child, father, or mother, at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes. This section shall not be so construed as to prevent payment from the amount due the decedent's estate of funeral expenses, provided a claim therefor is presented by the person or persons who actually paid the same before settlement by the accounting officers.

(42 U. S. C. 225)

(a) In the settlement of the accounts of deceased commissioned officers where no demand is presented by a duly appointed representative of the estate, the accounting officers may allow the amount found due to the decedent's widow or legal heirs in the following order of precedence: First, to the widow; second, if the decedent left no widow, or the widow be dead at time of settlement, then to the children or their issue, per stirpes; third, if no widow or children or their issue, then to the father and mother in equal parts, provided the father has not abandoned the support of his family, in which case to the mother alone; fourth, if either the father or mother be dead, then to the one surviving; fifth, if there be no widow, child, father, or mother at the date of settlement, then to the brothers and sisters and children of deceased brothers and sisters, per stirpes.

(b) Subsection (a) shall not be construed so as to prevent payment of funeral expenses from the amount due the decedent's estate if a claim therefor is presented, before settlement by the accounting officers, by the person or persons who actually paid such expenses.

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SEC. 3. Subject to such rules and regulations as may be prescribed by the Comptroller General of the United States, amounts payable to beneficiaries designated by the member under section 2 of this Act shall be paid by the Department or uniformed service concerned. All other payments under this Act shall be paid upon settlement by the General Accounting Office. Any payment made under this Act shall be a bar to recovery by any other person of any amount so paid.

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THE BILL

Sec. 4. Designations of beneficiary under this Act, and changes therein, shall be made under regulations promulgated by the Secretaries concerned, and such regulations shall be uniform for all services in so far as practicable: *Provided*, That any designation of beneficiary made for the purposes of any six months' death gratuity (including any designation of a person whose right to the gratuity would not depend upon such designation) and heretofore or hereafter received in the Department concerned before the effective date of the payment provisions of this Act shall be considered as a designation of beneficiary for the purposes of this Act, in the absence of a designation of beneficiary under this Act, unless the member making the designation shall have been missing, missing in action, in the hands of a hostile force, or interned in a foreign country during any part of the period between the date of enactment of this Act and the effective date thereof as prescribed in section 5 of this Act.

Sec. 5. The payment provisions of this Act shall be effective only in cases wherein the member's death occurs on or after the first day of the sixth month following the month in which this Act is enacted. The following statutory provisions are repealed as of the effective date of the payment provisions of this Act, except with respect to the deaths of members occurring prior to such effective date:

(1) The paragraph of the Act of June 30, 1906 (34 Stat. 750), which relates to the settlement of accounts of deceased officers and enlisted men of the Army, as amended by the Act of December 7, 1944 (58 Stat. 795), and section 4 of the Act of February 25, 1946 (60 Stat. 30, 10 U. S. C. 868).

(2) Section 1 of the Act of February 25, 1946 (60 Stat. 30), as amended by section 18 of the Act of August 4, 1949 (63 Stat. 560, 34 U. S. C. 941a).

(3) The paragraph in section 1 of the Act of August 4, 1949 (63 Stat. 531), which relates to the settlement of accounts of deceased officers and enlisted persons of the Coast Guard (14 U. S. C. 466).

(4) Section 507 of the Public Health Service Act, approved July 1, 1944 (58 Stat. 711), as amended by section 2 of the Act of February 25, 1946 (60 Stat. 30, 42 U. S. C. 225).

O